



FY 2021 annual report

We're excited to share with you
WyoLotto®'s annual report and celebrate
together our successes from this year!



Operating with integrity

With continued regional and national respect as a lottery organization, the Wyoming Lottery Corporation proudly presents our annual report for July 2020 - June 2021.

In this report we hope you see that no matter the external factors, our organization and team have continued to stay committed to maximizing how we give back to Wyoming.

PURPOSE

WyoLotto ultimately exists to be another revenue stream for the state of Wyoming while bringing fun, low-cost entertainment options to our residents. We take our mission seriously and are always looking for ways to give back to the state.

MISSION

Our mission is to generate revenue for Wyoming by providing lottery products with entertainment value and integrity.



Thoughts from our CEO

If we could sum up the last fiscal year into one theme, I would say it is learning to be nimble and still succeed. The challenges of a pandemic continued to change almost daily, yet we launched a new product, had two game changes to prepare for, and we also remained focused on giving back to Wyoming.

The year before prepared us well, and we have become very successful at taking challenges and turning them into opportunities. We continued our Cowboy Draw® BOGO promotion in the Fall and partnered again with the University of Wyoming. The football season was a tough one with games getting cancelled and the limitation on attendance, yet we persevered and still ran our promotion whenever the Pokes were able to play. We were nimble.

We then launched a new game, during the snowstorm of a century! In March, we launched 2by2®, our first daily game and fifth game in our portfolio. Even though half the state was buried in snow, we were able to exceed expectations and give Wyoming a new, fun way to play. Again, we were nimble.

These promotions and game launches allowed us to provide entertainment to our players and revenue to our state while ensuring the health and safety of our players, retailers, and staff.

We are also proud to report that we remain strong and unwavering in very important areas, including another successful audit (our sixth in a row), sound governance, and efficient operations.

With that said, we are looking forward to another great year. We will be planning the launch of our biggest game yet—KENO, which means more excitement for our players, more commissions for our retailers, more prizes and winners, and more revenue to the state. We are grateful for Wyoming!

Stay happy and healthy, Wyoming!

Jon Clontz | CEO, Wyoming Lottery Corporation

Nationally recognized for an increase in Powerball® sales

In August 2020, we built a Powerball BOGO promotion that ran for five Saturdays and increased total sales by over \$480,000. The Multi-State Lottery Association (MUSL) recognized Wyoming as one of three states among forty-five that saw a sales increase over that time, and the only one to see an increase in Power Play®.

Achieved over 12,000 downloads in the first four months of the WyoLotto app launch

We invested in building a world-class app for our players, enabling better service and giving us the chance to connect more with our most loyal players. The app was tremendously well-received for features like the ticket scanner, winning ticket notifications, and more!

Achieved a 444% increase in average Cowboy Draw ticket sales during UW BOGO

Even with an unpredictable and constantly evolving college football season, our Cowboy Draw BOGO remained an important promotion, and a highlight for players during an unprecedented and challenging year.

We continued our record of successful annual audits:

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021
Financial Statements McGee, Hearne & Paiz (MHP)	✓	✓	✓	✓	✓	✓	✓
Compliance Check of Vendor Facilities Multi-State Lottery Association (MUSL)	✓	✓	✓	✓	✓	✓	✓
Security & Compliance Checks MUSL Security, Annual RNG certification	✓	✓	✓	✓	✓	✓	✓

Operating Expenses & Investments

We strive to keep our operating expenses low, achieving consecutive years of decreases since FY2017. Occasionally, we make strategic investments (like adding new games) that increase expenses but ultimately drive more revenue and grow what we can transfer back to the state.

ANNUAL OPERATING EXPENSES

FY2015	\$5,144,743
FY2016	\$3,755,823
FY2017	\$3,889,940
FY2018	\$3,424,220
FY2019	\$3,069,111
FY2020	\$2,655,799
FY2021	\$2,677,732



Adding 2by2 to our portfolio

In FY2021 we made the strategic investment to add a new game, 2by2, to our portfolio. This was Wyoming’s first daily game, which was the perfect option to diversify our portfolio with a \$1 price point and better than 1 in 4 odds.

2by2 launched in March 2021 and Wyoming players loved it! We projected just over \$221,000 in sales for the first four weeks but ended up achieving over \$300,000! Plus, in the first 3.5 months, we saw eight Grand Prize winners walk away with \$22,000 each.

Annual Revenue by Fiscal Year

Because our portfolio is currently built around jackpot games, our annual revenue is directly tied to growing jackpots. In years where those jackpots grow incredibly high (like FY2016, FY2019, and this year), we see the impact on sales—each of those years achieved over \$30 million in sales.

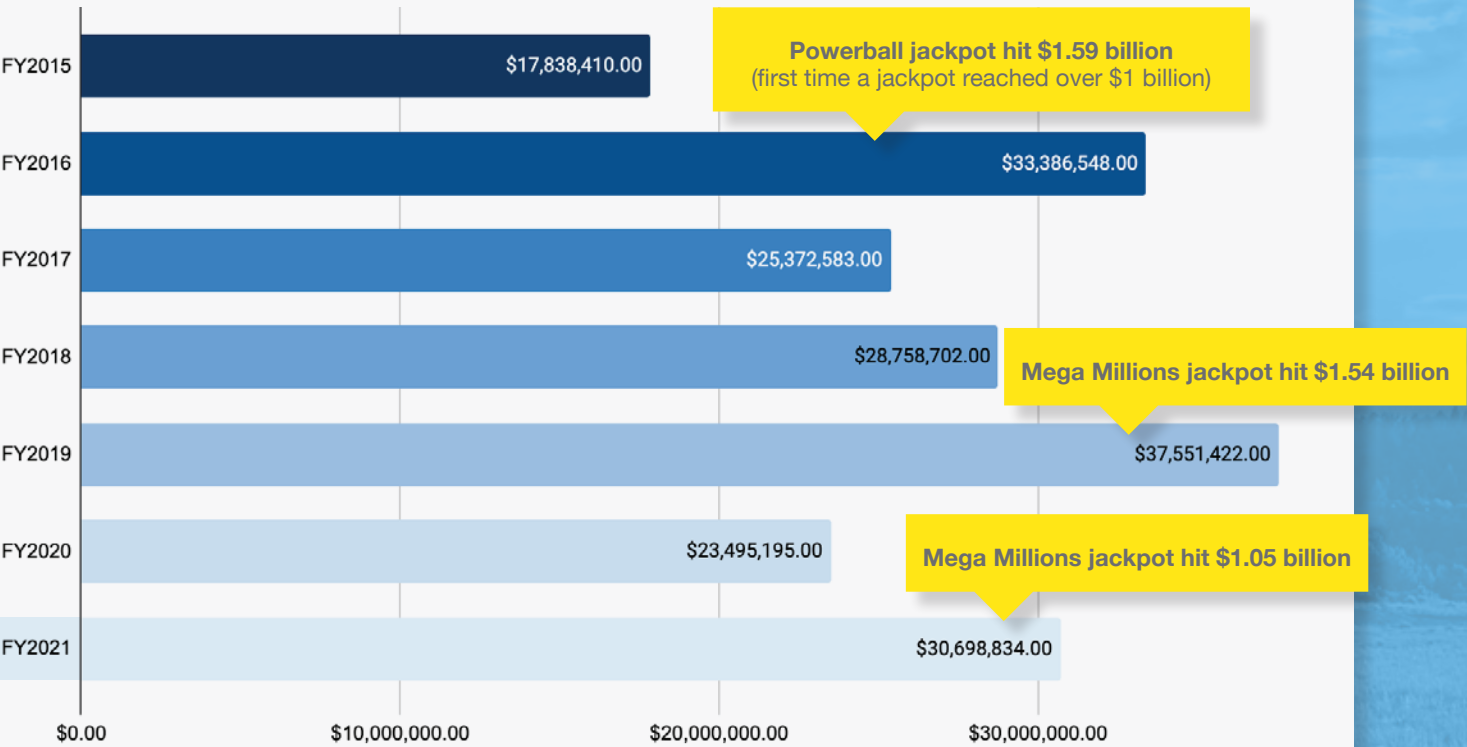
By comparison, in years where jackpots are continually hit at lower amounts, sales don’t spike and naturally stay lower. This is why we continue to explore and onboard new, non-jackpot games (like 2by2, and, soon, KENO). Diversifying our portfolio means we’ll be better able to drive more revenue, even for years where jackpots do not hit the tipping point.

The Jackpot Sales Spike

Ever since the first billion dollar jackpot, we’ve seen that jackpots need to grow above \$500 million to achieve universal excitement (non-regular players buying tickets) and the corresponding exponential sales impact.

For reference, Powerball and Mega Millions® jackpots have been hit 109 times collectively since 2014, but only thirteen of those jackpots were over \$500 million.

ANNUAL REVENUE



Game Revenue

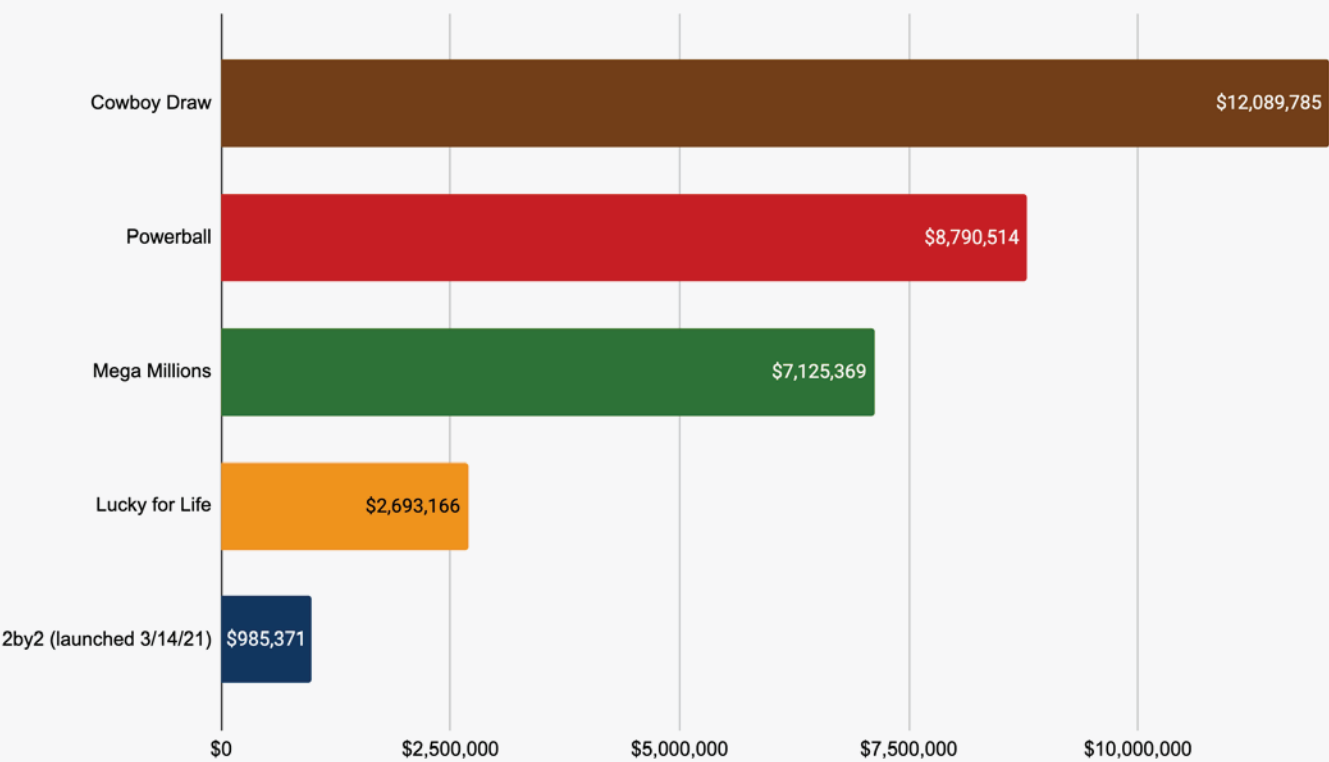
All three jackpot games had high jackpots in January 2021, which helped drive higher revenue for all games. Because the jackpots grew simultaneously, playing multiple games with Round Up was really appealing to our players. This helped to drive up revenue for our non-jackpot game, Lucky for Life®, as well.

- Powerball - \$731 million (hit 1/20/21)
- Mega Millions - \$1.05 billion (hit 1/21/21)
- Cowboy Draw - \$942,466 (hit 2/1/21)

And, luckily enough, we just happened to be running a Second Chance Giveaway for all four games at that time—so players had a lot of reasons to be excited! This promotion was open to all non-winning tickets purchased in January and submitted to WyoLotto via mail or saved in the new app (where they earned double entries).

At the end of the promotion we saw over 240,000 entries as well as gained a lot of new app users. Plus, even though jackpots were hit, we saw that sales stayed slightly higher than average during the promotional period.

FY2021 REVENUE BY GAME

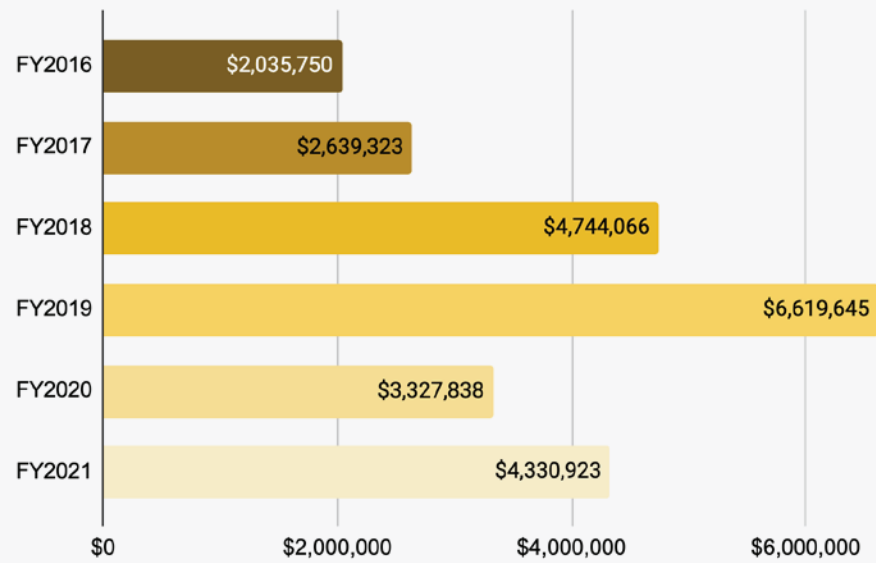


WyoLotto has transferred
\$23,697,545
to the state of Wyoming since we first
paid off our startup loan in FY2016.



We are excited about our transfers to the state because we know that money gets dispersed to every city, town, and county. The local communities decide what they want to do with their funds.

TRANSFERS TO THE STATE BY FISCAL YEAR



TOTAL DISTRIBUTED TO EACH COUNTY

Albany.....	\$130,616.30	Natrona.....	\$535,979.23
Big Horn	\$32,628.93	Niobrara.....	\$15,017.00
Campbell	\$276,648.85	Park	\$125,196.57
Carbon.....	\$124,574.40	Platte	\$60,082.92
Converse	\$117,515.60	Sheridan	\$165,723.21
Crook.....	\$39,943.60	Sublette	\$46,638.00
Fremont	\$161,324.60	Sweetwater.....	\$380,007.67
Goshen	\$65,614.79	Teton.....	\$78,753.00
Hot Springs	\$21,913.66	Uinta	\$1,134,126.84
Johnson.....	\$48,219.02	Washakie	\$31,491.70
Laramie.....	\$593,753.34	Weston	\$37,894.32
Lincoln.....	\$107,259.82	FY2021 TOTAL.....	\$4,330,923.37

WINNERS

Our greatest joy comes from changing people’s lives through winning just by playing a low-cost and entertaining game. And, thanks to 2by2, this year we had more winners and the highest amount of winnings than ever before!

YEAR	# OF WINNERS	TOTAL WINNINGS
FY2015	484,542	\$4,555,697
FY2016	950,078	\$18,436,379
FY2017	835,302	\$10,513,204
FY2018	842,344	\$11,380,062
FY2019	1,044,453	\$14,334,567
FY2020	688,677	\$10,753,244
FY2021	1,238,289	\$19,632,688
TOTAL	6,083,685	\$89,605,841

FY2021 WINNINGS BY GAME

Cowboy Draw	\$7,560,113
Powerball	\$1,429,347
Mega Millions	\$1,550,395
Lucky for Life	\$8,690,048
2by2	\$402,785



Kasey Kaercher Sheridan, WY
Our first \$22,000 Grand Prize winner
On a whim she decided to try our newest game just one week in, and she made WyoLotto history!



Paul Miller Green River, WY
Our second \$22,000 Grand Prize winner
After winning, Paul returned to Maverik and gave \$100 to the clerk who sold him the winning ticket!



Gary Kirchhefer Torrington, WY
Our fifth \$22,000 Grand Prize winner
Choosing numbers based on his family’s birthdays, Gary had many “close calls” and then won big!



Deborah Byrne Riverton, WY
Our sixth \$22,000 Grand Prize winner
After donating to several charities, Deborah plans to use the money to help with medical bills and a trip to see her family!

Meet some of our winners from our newest game, 2by2!

RETAILERS

Our Wyoming retailers are often the face of WyoLotto. Our players depend on them and so do we! From the bustling truck stops to the mom and pop shops, WyoLotto’s presence in the Cowboy State is made in part by our wonderful retailers and we’re happy to give back to them with retailer commissions.

437
TOTAL
RETAILERS

COMMISSIONS PAID

FY2015	\$1,088,532.28
FY2016	\$2,042,809.09
FY2017	\$1,557,965.99
FY2018	\$1,764,891.91
FY2019	\$2,330,632.92
FY2020	\$1,485,827.44
FY2021	\$1,987,439.28

TOTAL **\$12,258,098.91**



RETAILER	CITY
#1..... Border Beverage	Evanston
#2..... Maverik	Evanston
#3..... Discount Liquor	Evanston
#4..... Flying J	Evanston
#5..... Cowboy Joe’s Liquor	Evanston
#6..... Pilot Travel Center	Evanston
#7..... Maverik	Evanston
#8..... The Cigarette Store	Evanston
#9..... King Soopers	Cheyenne
#10..... Maverik	Cheyenne

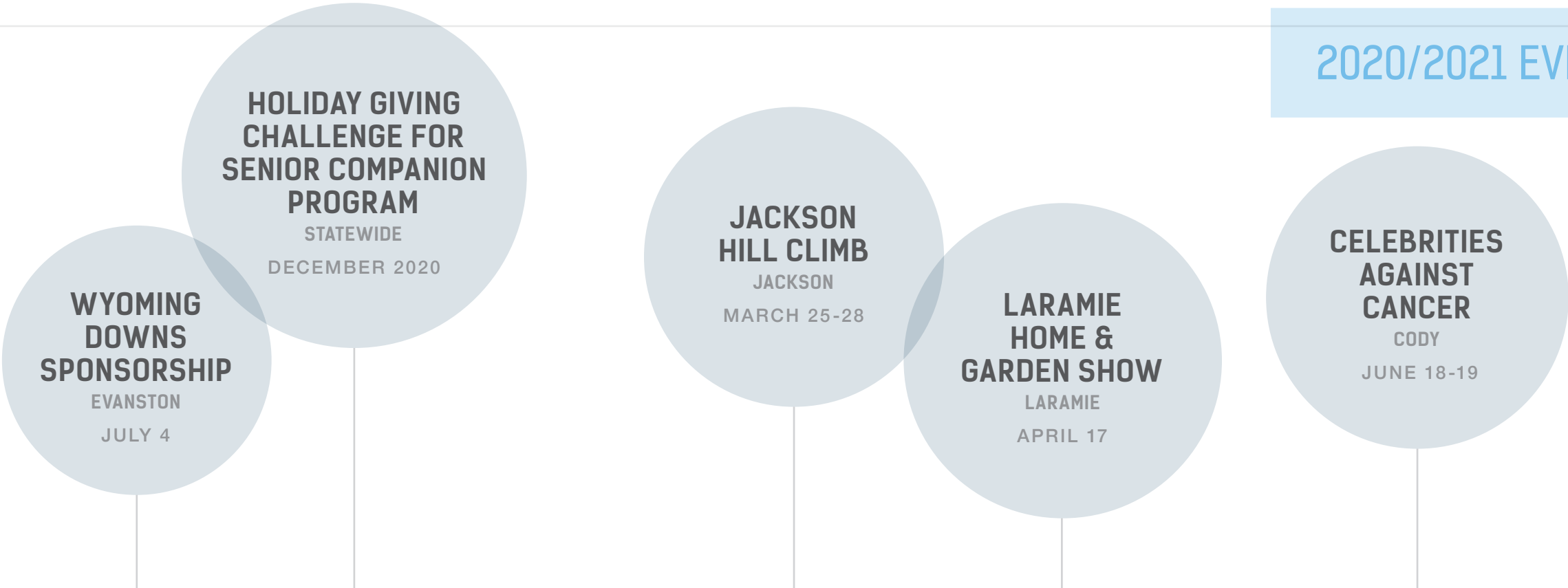
Bringing in additional revenue from out of state
We have great retailers across the state but many of our top retailers are in Evanston, WY.

These retailers are serving the Utah population that drives across state lines to play our games, meaning that WyoLotto is bringing out-of-state revenue into the state that wouldn’t otherwise be here.

Local sponsorships
& support

The state transfers are our biggest way of giving back to the state, but we also actively look for other ways to directly support events and organizations throughout Wyoming. During COVID-19, everything was different, but we still looked for ways to partner with and support local Wyoming communities across the state.

While sponsorships are a big part of that effort, we also support local Wyoming businesses with our in-state media buys. We're proud to keep money in Wyoming by distributing it through sponsorships and media.



2020/2021 EVENTS

Ongoing UW sponsorship

This was our sixth year partnering with the University of Wyoming athletics program, and we couldn't be more excited about all we've done together! While COVID-19 threw some curveballs, we stayed committed to our partnership, continuing to look for opportunities to reach fans even while the pandemic affected attendance.

While the football season was ever-changing, we were able to run three successful Cowboy Draw BOGO promotions (two for UW wins, and one as a bonus for a cancelled game). Overall, these promotions were a boost for morale and a boost for sales, with a 444% increase in Cowboy Draw sales compared to non-BOGO Sundays.

We're grateful for our continued partnership with Wyoming's university—and we look forward to ongoing success together!



Responsible gambling

Our players' health matters deeply to us, and not just their physical health. That's why, early on, we became the only gaming entity in the state to work with the Wyoming Department of Health and other partners and stakeholders to develop a problem gambling coalition: Wyoming Responsible Gambling Coalition (WRGC).

We continue to be a proud member of the National Council on Problem Gambling (NCPG) which provides resources and services to those with a gambling problem, including a 24-hour helpline. We also work with local counseling providers across the state to get training on how best to address and treat problem gambling, hoping to create more skilled partners who are able to help if and when the need arises.

We care about our players and continue to encourage them to play responsibly throughout our communications.



A small lottery doing big things

We are the smallest lottery in the country. But that doesn't stop us from doing BIG things and being recognized amongst our fellow lotteries.

PROUD OF OUR HISTORY

March 2013	HB 77 was passed, allowing the formation of Wyoming Lottery Corporation
April 2013	Started with a private loan (no state funding)
August 2014	We sold our first ticket; started with Powerball and Mega Millions
March 2015	Added Cowboy Draw (a Wyoming-only game) to our portfolio
January 2016	Paid off our startup loan six months EARLY
April 2016	First transfer to the state - over \$1 million
December 2016	Added Lucky for Life (a static-jackpot game) to our portfolio
August 2017	Ran our first UW/Cowboy Draw BOGO promotion
June 2019	Added Ragtime Raffle (a 7-week raffle game) to our portfolio
August 2020	Ran our first Powerball BOGO promotion
September 2020	Launched the WyoLotto app
October 2020	Exceeded \$20 million total given back to the state
December 2020	Raised \$8,000 for Wyoming seniors in need
January 2021	Ran a Second Chance Giveaway with the new app
March 2021	Launched 2by2 (Wyoming's first daily draw game)

TRANSFERS TO THE STATE

April 2016	\$1,120,000.00
July 2016	\$915,750.88
Oct 2016	\$797,638.43
Jan 2017	\$633,708.99
April 2017	\$1,007,976.28
July 2017	\$200,000.00
Oct 2017	\$862,263.36
Jan 2018	\$1,001,963.00
April 2018	\$1,405,492.00
July 2018	\$1,474,346.49
Oct 2018	\$1,407,967.30
Jan 2019	\$2,808,707.03
April 2019	\$1,201,122.00
July 2019	\$1,201,849.41
Oct 2019	\$854,032.00
Jan 2020	\$801,156.00
April 2020	\$805,650.00
July 2020	\$867,000.00
Oct 2020	\$1,445,900.00
Jan 2021	\$730,000.00
April 2021	\$1,150,000.00
July 2021	\$1,005,023.52

Overcoming COVID-19 challenges

Every business in Wyoming faced unexpected challenges with the unprecedented pandemic. We all had to figure out how to continue operations, and the Wyoming Lottery is no different. In fact, it presented a unique challenge, and we are proud to have answered the call with agility and innovation:

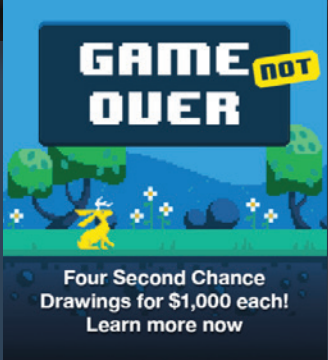
- We planned and executed our first virtual press event for the launch of 2by2
- We implemented retailer forums, both in-person and virtually
- We quickly implemented remote work schedules and encouraged winners to make appointments, keeping staff and players safe

Setting the bar high with creative communications

We continue to challenge ourselves to bring new, vibrant, and memorable ideas to all of our executions. In everything we do, we strive to develop eye-catching and impactful campaigns, creating fun for our players and retailers as well as establishing WyoLotto as a leader among lotteries.

Some of our favorites from this year include our:

- Summer-themed Powerball BOGO campaign
- Wyoming-inspired, outdoorsy, and pun-ny 2by2 launch campaign
- Heartfelt Holiday Giving efforts to provide support for Wyoming seniors in need
- Throwback Second Chance Giveaway promotion



Excited about the future

We are excited to continue building the Wyoming Lottery to be a leader among state lotteries and gaming entities. With a commitment to ongoing development, we look for opportunities to grow our offerings for even greater appeal to current players, new players, and Wyoming visitors. And the future looks bright!

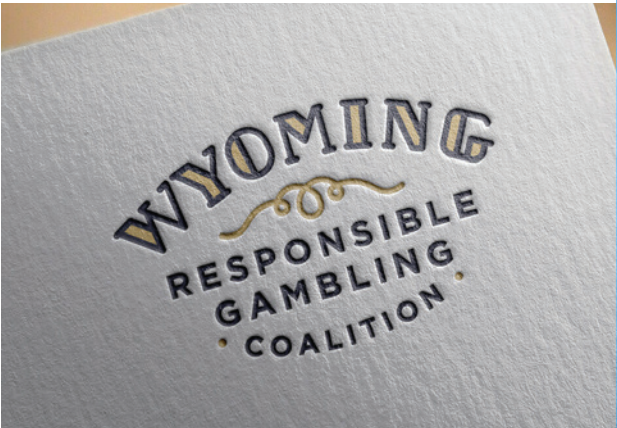


Onboarding KENO

After extensive research and analysis, we know that when it comes to draw games, KENO has the potential for the greatest increase in revenue, which is directly connected to state transfer amounts. We look forward to bringing this new, dynamic style of play to the WyoLotto portfolio and growing the number of retailers in the process.

Responsible Gambling

We are in the process of conducting a tracker study to collect updated information on problem gambling in Wyoming. We'll use this data to inform more effective and relevant messaging and campaigns encouraging responsible gambling and helping players find resources for problem gambling.



VIP Program

In addition to adding new games to bring in more players, we also look for ways to develop deeper brand loyalty with our most regular players—after all, they are the ones that support us the most. In the coming years, we plan to build a best-in-class VIP program, leveraging our new app and other channels, to offer specialized promotions and other features to our number one fans.

A small lottery doing big things for the state we love, all while entertaining the residents?

–That’s what we call winning.



wyolotto.com